SENATE BILL REPORT SB 5795

As Reported by Senate Committee On: Ways & Means, February 25, 2011

Title: An act relating to funding higher education child care grants.

Brief Description: Regarding funding higher education child care grants.

Sponsors: Senators Brown, Kohl-Welles, Conway, Harper, Shin, Ranker, White, Murray, Kastama and Kilmer.

Brief History:

Committee Activity: Ways & Means: 2/23/11, 2/24/11, 2/25/11 [DPS, DNP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5795 be substituted therefor, and the substitute bill do pass.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Zarelli, Ranking Minority Member; Parlette, Ranking Minority Member Capital; Baumgartner, Baxter, Brown, Conway, Fraser, Hatfield, Hewitt, Holmquist Newbry, Kastama, Keiser, Kohl-Welles, Pflug, Regala, Rockefeller and Tom.

Minority Report: Do not pass.

Signed by Senators Honeyford and Schoesler.

Staff: Dianne Criswell (786-7433)

Background: All revenues received from the sale of shared game lottery tickets (from the two multistate games Megamillions and Powerball) are deposited into the Shared Game Lottery Account, which is a local account outside of the state treasury. All other revenues received from the sale of lottery tickets are deposited into the State Lottery Account, another local account created outside of the state treasury. Lottery revenues, after payment of prizes and administrative expenses, are used to make deposits to the Washington Opportunity Pathways Account, for payment of stadium bonds, for problem gambling services, for economic development, and any remainders are deposited into the General Fund.

Senate Bill Report -1 - SB 5795

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

After 180 days, two-thirds of unclaimed prize money is retained in the State Lottery Account for further use as prizes and one-third is deposited into the Economic Development Strategic Reserve Account.

Summary of Bill (Recommended Substitute): For fiscal years 2011-12 and 2012-13, \$250,000 of unclaimed prize money must be deposited in the Student Child Care in Higher Education Account. Removes the Four-Year designation from the Student Child Care in Higher Education Account and amends the account to provide a 2-year community and technical college program to be administered by the State Board for Community and Technical Colleges (SBCTC). Amounts are provided to the extent that these funds are provided in the Omnibus Appropriations Act. Amounts of unclaimed prize money deposited from this account must be applied equally between the 4-year and 2-year programs.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Substitute): Removes the "Four-Year" designation from the Student Child Care in Higher Education Account and amends the account to provide a 2-year community and technical college program to be administered by the SBTC. Amounts are provided to the extent that these funds are provided in the Omnibus Appropriations Act. Amounts of unclaimed prize money deposited from this account must be applied equally between the 4-year and 2-year programs.

Appropriation: None.

Fiscal Note: Requested on February 15, 2011.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: This bill helps students that need child care, and provides a funding source that the students proposed. We need a funding mechanism for the current program. There is no impact to the state General Fund. These programs help student-parents obtain their degrees. We should enhance educational opportunities for non-traditional students. It also mitigates the third largest barrier to higher education: child care. These programs allow student-parents to better themselves. It is a step to help students earn a student wage. Enabling student-parents to earn degrees is a good investment.

The administrative framework for these programs for two-year colleges are already in place to provide matching grants. Students are willing to match these grants. The lottery impact is minimal. A small amount of matching money can have a large impact. Consider amending the bill to include the SBCTC.

Persons Testifying: PRO: Senator Brown, prime sponsor; Ben Henry, Mike Merz, Washington Student Association; Shiboney Dumo, University of Washington Student Organization; Kayeri Akweks, Washington SBCTC.